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BEFORE THE
DEPARTMENT OF TRANSPORTATION
WASHINGTON, D.C.

DEPT. OF TRANSPORTATION
F-100-10

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Answer of

GREATER ORLANDO AVIATION
AUTHORITY

in support of an application of Spirit Airlines,
Inc. for an exemption pursuant to 49 U.S.C.
§ 41714

Ft. Lauderdale/Ft. Myers/Orlando/Tampa
West Palm Beach/Detroit - New York
(LaGuardia Airport)

Docket Nos. OST-99-6547 - 3
OST-97-2870 - 46
OST-97-2932 - 29

ANSWER OF GREATER ORLANDO AVIATION AUTHORITY IN SUPPORT OF
APPLICATION OF SPIRIT AIRLINES, INC.

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On Behalf of
Greater Orlando Aviation Authority

December 8, 1999

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West Palm Beach/Detroit - New York)	
(LaGuardia Airport))	
)	

The Greater Orlando Aviation Authority (“Orlando”), owner and operator of the Orlando International Airport, submits this Answer in support of the Application of Spirit Airlines, Inc. (“Spirit”), for an exemption under 49 U.S.C. § 41714(c) to provide new daily non-stop roundtrip scheduled jet services between Orlando, Florida and New York’s LaGuardia Airport ("LGA"). Spirit’s proposed service between LGA and Orlando would further expand its service between New York and Orlando, and would likely enhance low-fare competition in this city-pair market.

2

passenger and shipper market for Orlando. Moreover, the Department of Transportation (the “Department”) has recently determined that Orlando is large enough to support a viable new service. Order 99-9-11 (finding Orlando and 43 other city-pair markets which a new entrant carrier (JetBlue) proposed to operate to and from JFK were operationally and financially viable).

Orlando would also benefit from the increased competition of Spirit’s new daily nonstop service to and from LGA. Spirit has already brought some competition to the Orlando market via one daily nonstop flight from Newark during the second quarter 1999, but more competition is needed. Despite the high volume of O&D traffic between Orlando and the three New York City area airports, only two airlines at each of the airports control between 86% and 98% of the market share, according to second quarter 1999 data. Although there are roughly 1200 daily passengers in the LGA-Orlando market, there is no low-fare carrier. Three airlines (Delta, US Airways, American Airlines) operate scheduled service in this market, and two of these airlines (Delta, US Airways) control 86% of the market, according to second quarter 1999 data. The market share percentages for all three New York airports indicate that additional price competition would benefit the LaGuardia-Orlando market.


The Department’s grant of an exemption to Spirit would instill even more competition at LGA and at the other two New York City area airports. In fact, Spirit’s existing Newark-Orlando service demonstrates its potential to offer additional low-fare competition in the Orlando market, which it committed to doing in its application if it were to receive an exemption. Further, the Department has stated that “traffic has been highly responsive” to its grant of “New York-area (primarily LaGuardia) slot exemptions” based on low-fare proposals from Spirit and other new entrant carriers. Order 99-9-11, at 19-20. Given the high traffic volume of the New York-

Orlando market and the potential new competition from creating slots at slot-controlled LGA, whose Orlando traffic is dominated by two airlines, such traffic would likely continue to respond to low-fare competition from Spirit.

For the foregoing reasons, Orlando hereby requests that the Department grant to Spirit, on or before December 30, 1999, an exemption from Subparts K and S of Part 93 of the Federal Aviation Regulations, and an amendment to Spirit's existing slot exemptions, in order that Spirit may operate new daily nonstop service between LGA and Orlando.

Respectfully submitted,

PRESTON GATES ELLIS & ROUVELAS MEEDS LLP

By: 
Jonathan Blank

On Behalf of
Greater Orlando Aviation Authority

December 8, 1999

CERTIFICATE OF SERVICE

I certify that I have on this 8th day of December, 1999, caused to be served a copy of the foregoing Answer by first-class mail, postage prepaid, upon the persons named on the list below.

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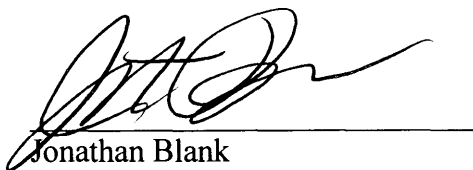
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